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24 March 1953

MEMORANDUM FOR: Assistant Deputy Director (Administration)

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SUBJECT : [REDACTED] Warehouse

1. Pursuant to your request, I have conducted an investigation of the utilization and construction planning of the [REDACTED] Warehouse. 25X1A6a The investigation has not been exhaustive, in that all records were not searched nor was everyone concerned interviewed. I did review some of the correspondence and several of the various sketches, blueprints, floor layouts, etc. which have been involved from time to time. I made a brief inspection of the site and talked with Messrs. [REDACTED] of General Services Office and Colonels [REDACTED] and Messrs 25X1A9a [REDACTED] of the Procurement and Supply Office.

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2. Certain fundamental problems have been contributory to the present state of confusion and last-minute change. They are not necessarily in order of importance:

a. The fact that the builder experienced considerable unanticipated delay arising primarily from zoning problems;

b. the builder's architects, for what appeared to be good and sufficient reasons, found it necessary late in the planning stage to reverse and reorient the blueprints;

c. the fact that the real estate and construction function of the Agency was transferred from General Services to the Procurement and Supply Office with, in the opinion of some now, a failure to establish a single point of responsibility for carrying forward the warehouse planning;

d. a continuing problem of determining cover and security requirements for the warehouse, which was not resolved until 2 March by the Deputy Director (Administration);

e. fundamental staff weaknesses in CIA.

In my opinion the last item is the key and allowed all of the other factors to impede progress unnecessarily. Throughout the investigation all questions which may have been directed to the general area of staff weakness were clouded in their answers by these other issues.

3. It appears that the fundamental determination that the [redacted] Warehouse was to be an Agency warehouse and was not to be solely for the use of the Procurement and Supply Office either was not made by the Office of the Deputy Director (Administration) or was not clearly communicated to or accepted by the Procurement and Supply Office. The Deputy Chief, Procurement and Supply Office, very clearly established the position of that office that insofar as they are concerned there shall be nothing in the warehouse which is not immediately, directly, and necessarily involved and connected with their warehousing and supply function.

25X1A6a 4. On 14 March 1952 the Administrative Services Office included in its Weekly Activity Report a note that Public Buildings Service had advised that construction would start 1 April 1952 and would be completed about 1 September 1952 and that Administrative Services was awaiting the results of a staff study being made by the Procurement and Supply Office "which will indicate the total warehouse requirements of that office." At this point we must assume that Procurement would plan its own requirements and only its own, for it is established later that other functions of Communications and TSS being conducted [redacted] were never considered in the warehouse planning. Although it may have properly been argued that these functions were not supply functions, the fact that the old warehouses would eventually be given up was reason enough for raising and settling the question of providing for these other functions.

25X1A6a 5. The Weekly Activity Report of 22 March 1952 from Administrative Services noted that they were working with Procurement and Supply on layout and utilization for the warehouse. No comment was made about working with Communications or TSS. It does appear, however, that Procurement recognized that the prepacking equipment-testing function of Communications would continue in the warehouse activities, in that this function was provided for in the [redacted] planning.

25X1A6a 6. In August the Real Estate and Construction Division was transferred to the Procurement and Supply Office. At that time, according to the Chief of General Services, he lost the responsibility for the warehouse until, "I got it back early in February." However, his Weekly Report of 17 October indicated that General Services was still involved, in that there was reported a communication from Public Buildings Service regarding the operation of a telephone switchboard at the [redacted] Warehouse. Apparently this item was taken up with Procurement.

7. The Weekly Activity Report for 24 October carried this paragraph, "Last word from Public Buildings Service on this project is that clearing has been started and excavation for foundation will begin shortly. It is now expected that the buildings will be completed in May or June 1953. However, this information is not sufficiently firm in view of past experience on this project to lay any definite plans on this basis." The files of General Services do not reveal that this information was passed to the Procurement and Supply Office in writing. However, the Chief of General Services is sure that Procurement was notified. It would appear that

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25X1A9a Public Buildings Service still considered General Services to be the responsible office for this Agency. Mr. [REDACTED], Chief, Real Estate and Construction, stated that the Procurement and Supply Office never had the new warehouse responsibility and that this had been understood with Mr. [REDACTED] last August. Regardless of the differences of opinion now expressed as to the responsibility for this function between August and February, it certainly should be noted that the question could have been addressed by either office to the Deputy Director (Administration) and very quickly answered.

25X1A9a 8. Mr. [REDACTED] Procurement and Supply, told me that he knew (probably in August) that the architects' planning for the warehouse had been changed, but that he could not make any revision of his plans because the final architects' plans were not available. Apparently little effort was made to get copies of the plans from Public Buildings Service until early February, when, through some informal arrangements, some plans were borrowed long enough to make photostats. Mr. [REDACTED] further advised, however, that it was known by late summer that the plans originally submitted to Public Buildings Service for interior partitioning would have to be changed. Three kinds of changes were necessary: (a) those occasioned by the architects' reversal of the plan; (b) those caused by re-examination of Procurement and Supply functions and a better analysis of proper space arrangement; (c) the inclusion of functions which had originally been omitted. It would appear that the excuse that revised plans could not be made because the architects final rendering was not available is a flimsy one. If this Agency knew in late summer or early fall that our original plans were obsolete, we should have submitted our new requirements at that time regardless of what the builder's architects had included in their planning. This point is particularly important in that on 3 November Mr. [REDACTED] Real Estate and Construction, informed Mr. [REDACTED] in Public Buildings Service that no substantial changes were contemplated. This, I believe, was to the best of Mr. [REDACTED] knowledge true, in that those who did know that other changes were going to be necessary had taken no action or at least had not so advised him. Procurement and Supply's own failure to advise Real Estate and Construction or utilize their technical competence is exemplified by the fact that as late as 23 March certain sketches for the outside areas were shown to the architects and builder's representatives at the site which had been prepared by the warehouse people and not by Real Estate and Construction.

25X1A9a 9. On 19 December, Public Buildings Service, having heard nothing from this Agency after the telephone call of 3 November, gave the builder the go ahead on the plans dated 14 August. On about 10 February, having been advised that completion was expected by the end of March, Procurement and Supply, as noted above, informally copied the plans, and, on 13 February, Mr. [REDACTED] telephoned the Chief of General Services to advise him that the [REDACTED] Warehouses would be given up at the end of the month and that space should be found for the Communications, TSS, and General Services functions presently at [REDACTED]. Supposedly, the non-Procurement and Supply functions at [REDACTED] had been taken care of. On

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25X1A9a 18 February, Mr. [REDACTED] addressed a memorandum to the Chief, Procurement
and Supply Office, to the effect that he had so notified Mr. [REDACTED] and 25X1A9a
25X1A9a that the Agency was about ready to change warehouses. On 13 February,
25X1A9a when Mr. [REDACTED] received this information, he called Colonel [REDACTED] of TSS, 25X1A9a
25X1A9a Mr. [REDACTED] of Communications, and Mr. Garrison and suggested that they
25X1A9a get together to take care of the omitted items. On 25 February,
Messrs. [REDACTED] met with Mr. [REDACTED] to review the plans, which 25X1A9a
by that time they had had photostated. At this time Mr. [REDACTED] of General 25X1A9a
Services was brought into the picture and noted with the others present
that the then-existent plans were very unsatisfactory. A case in point,
by way of illustration, was that the reversal of the plans by the builder's
architects resulted in what had originally been a personnel entrance for
one restricted area of the warehouse necessarily becoming the main entrance
but leading directly into a Communications-shop area. On 4 March everyone
involved met at Procurement and Supply and worked on revisions. On 12
March the last revision was made, the plans were approved by all concerned,
and on 13 March they were delivered to Public Buildings Service and the
contractor at the site. This was with one exception, the wiring require-
ments for some TSS space which, according to Mr. [REDACTED] arrived on 17 March.

10. There was no intention on my part to overlook the fact that there undoubtedly were changing and developing functions which would necessitate changes in plans, nor is there any intent to obsolet Communications or TSS of all responsibility for the changes. I believe it is a fact, however, that at least in the case of Communications had the building plans not been flipped no change would have needed to be made. Leaving Communications and TSS out of it entirely, however, the basic issues are still the same. The primary user was to be Procurement and Supply and the major planning responsibility was in a state of confusion.

11. This somewhat detailed and lengthy recounting of evidence does not clearly establish a single point of responsibility for the failures nor does it explain how such bad planning could be done. One is necessarily forced to draw the conclusion which I first stated (paragraph 2e) that there has been a lack of competent staff work, a deviation of responsibility and authority, a seeming attitude of noncooperation, and a failure to use such expertise as the Agency afforded. Fundamentally, the responsibility rests with the Chief of General Services and the Chief of Procurement and Supply, in that they singly and jointly failed to insure proper planning by their subordinates and also failed to request the Deputy Director (Administration) to settle the question of responsibility. It may ultimately be argued, of course, that the responsibility is that of the Deputy Director (Administration) in that he failed originally to clearly fix the responsibility.

12. Conclusions. Three general conclusions can be drawn. (a) At the time of the transfer of Real Estate and Construction from General Services to Procurement and Supply, the Office of the Deputy Director (Administration) failed to recognize that there was any need to

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specifically define the responsibility for carrying forward the planning for the warehouse; (b) the planning that was done prior to the time that Real Estate and Construction was transferred was inadequate--it was largely left to Procurement who gave their primary attention, understandably, to their own needs; (c) regardless of the confusion regarding responsibility for planning, Procurement and Supply failed either for themselves or for General Services to properly plan their utilization and, therefore, their construction needs for the warehouse. An additional conclusion probably should be drawn that the Chiefs of Procurement and Supply and General Services, knowing that there was a confusion of responsibility, were guilty of poor staff responsibility to their Chief, in that neither of them brought the question to the attention of the Office of the Deputy Director (Administration).

13. Recommendations. It is recommended that the staff weaknesses revealed by this investigation be brought to the attention of the two offices concerned in order that they may assure the Deputy Director (Administration) that such potentially expensive and inexcusable staff failure not recur.



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cc: C/P&SO
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